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C O N F I D E N T I A L SECTION 01 OF 02 STOCKHOLM 000149

SIPDIS

E.O. 12958: DECL: 03/04/2019

TAGS: PREL PGOV PINR EU AF TU SW SUBJECT: SWEDEN'S EU MINISTER ON COOPERATING WITH U.S. ON CLIMATE, EU ENLARGEMENT, MIDDLE EAST AND AFGHANISTAN

REF: A. STOCKHOLM 32 ¶B. 08 STOCKHOLM 792

Classified By: CDA ROBERT SILVERMAN FOR REASONS 1.4 (B) AND (D).

11. (C) Summary: Sweden's EU Minister Cecilia Malmstrom met Charge on March 3 to discuss Sweden's upcoming EU presidency. On the Transatlantic Agenda, Malmstrom identified climate change, EU enlargement, Israeli-Palestinian talks and Afghanistan as being most important for cooperation with the USG. She discussed EU enlargement issues at length, asking for U.S. support to keep other EU members states committed to Turkey's accession and for U.S. help on resolving the Macedonia name dispute issue. Sweden wants former Finnish President Ahtisaari to mediate the Slovenia-Croatia border dispute so that Croatian accession can move forward under Sweden's presidency. End Summary.

Climate Change is Top Priority

12. (C) On climate change, Malmstrom stated that Swedes were impressed with President Obama's personal leadership on the issue and the USG's outreach to China. She stated that climate change remained the number one priority for Swedish Prime Minister Reinfeldt and would be the issue that received the most direct attention by the PM during the Swedish EU presidency. Saying it had been "hard enough" to keep the EU  $\,$ united on a policy line before the financial crisis, she said real tension was developing now among the 27. Sweden sees no contradiction between resolving the financial crisis and promoting climate-friendly technology and practices, she said, adding that not all member states agreed with this point of view.

Sweden Willing to Help on Gaza

 $\P 3$ . (C) Malmstrom said that the Prime Minister's office was watching U.S. actions with respect to Gaza very closely. Noting that Palestinian Authority (PA) President Abbas recently had visited Sweden, she opined that there would be some possibility for reconciliation between the PA and Hamas, though she stated that Sweden understood the process would be a very difficult one. Sweden recognized U.S. leadership on Gaza but stated that there may be areas where the EU could be of assistance. Sweden wanted to be helpful, she said.

Sweden to Remain in Afghanistan "for the Long Haul"

 $\underline{\mbox{1}}4.$  (C) On Afghanistan, Malmstrom stated that the government paid close attention to the President's speech on Afghanistan and considers success there to be "very important." Expressing concern over the public reaction in Sweden in the event of significant Swedish casualties, she noted that the political opposition has become increasingly critical of

government plans to increase both Sweden's military and foreign assistance presence. She also expressed concern over a possible spring election. In any event, Malmstrom reiterated the government's commitment to remain in Afghanistan for "the long haul."

Eastern Partnership and Baltic Sea Strategy

15. (C) Malmstrom said that the Eastern Partnership (reftel) will be launched at the EU Summit on May 7 in Prague. She stated that some of the six countries involved wanted to join the EU right away and did not see any need for intermediate steps. Nonetheless, the differences between the six countries were significant and it would be important for the EU as a whole to forge distinct bilateral relations with each of the six capitals. She assessed that Minsk would ultimately recognize the breakaway regions of South Ossetia and Abkhazia, "it is just a matter of when." On the Baltic Sea Strategy, Malmstrom said she did not see a very direct role for U.S.-EU cooperation, though she said the success of the initiative would be in U.S. interest. Sweden was anxious for a real agreement with "set milestones and a timetable, and not just fluff."

Turkish EU Accession -- Need Washington's Help

16. (C) Malmstrom stated that cooperation with Washington on Turkey's EU accession would be very important. The slow pace of success in implementing the Ankara protocol was causing "certain countries to say that it may be time to let Turkey

STOCKHOLM 00000149 002 OF 002

go," she stated, adding that such a decision would be a "catastrophe." During its EU presidency, Sweden will work hard for "visible progress with Turkey," which may not be all that significant in terms of chapters concluded, but must be palpable for European publics. Until now, she continued, the Turkish leadership has been very focused on internal matters and constitutional questions, but Sweden is encouraged that PM Erdogan has said he would re-focus on EU issues and recently appointed a new chief negotiator for EU accession, Egemen Bagis, who will visit Stockholm on March 18.

Croatia's Accession -- Need Ahtisaari's Help?

17. (C) On Croatia's accession, Malmstrom expressed Sweden's determination to see significant progress, "maybe not finalizing" its accession but working through problems quickly. She stated that Sweden was concerned about unresolved border problems between Slovenia and Croatia, causing Ljubljana to block progress. Malmstrom stated that the EU was trying to arrange for former Finnish President Ahtisaari to work as a mediator on the border issue.

Other Problems: Irish Referendum, Macedonia, Serbia

- 18. (C) On Ireland, Malmstrom noted that the timing of the planned EU referendum in October was "not an ideal situation" with the growing Irish economic downturn. "With so many jobs being lost, and cars being re-possessed, we worry about the government's dropping popularity," she said. Malmstrom said Sweden would try to be ready for any contingency. On Serbia, Malmstrom said that if security forces are successful in arresting former Chief of Staff Ratko Mladic, then she would expect Belgrade to send in its application this summer. Malmstrom also stated that she expected an application from Albania in the near future, and possibly Iceland.
- $\underline{\ }$ 9. (C) Malmstrom said that the presidential elections in Macedonia on March 22 would be "decisive for future relations with the EU." She said member states were sending a strong message that there needed to be significantly less violence

and better organization than during the violent 2006 parliamentary polls. With respect to the name issue, which Malmstrom termed a "childish" problem between Athens and Skopje, she said that she hoped strongly the U.S. and EU could work together on a resolution. Macedonia is not ready to join the EU, but might be ready to start negotiations, she stated, an important development in such an unstable region.

Sweden to Appoint Special Coordinators on EU Priorities

¶10. (C) Malmstrom stated that the Swedish government will appoint special coordinators on five to six key issues for the EU presidency. MFA State Secretary Frank Belfrage was most likely to be appointed special coordinator on enlargement. (Note: Belfrage headed up Sweden's own accession talks in the early 1990s and served as "enlargement czar" during his stint as MFA Director General for European Affairs when Sweden first held the EU presidency in 2001.) Lars-Erik Liljelund, who works directly for PM Reinfeldt, will be Sweden's special coordinator on Sweden's climate change issues. Special coordinators for four other presidency priorities will be decided in coming weeks.

Bio Note

111. (C) Bio Note: Malmstrom is an impressive young minister fully on top of her portfolio. Educated at the Sorbonne and with a Ph.D. from Lund University, she is smart, quick and decisive; she speaks fluent English, French, Spanish and Swedish, and reasonable Italian and German. She is a leading member of the Liberal Party, and was elected to the EU Parliament in the Liberal Party list (this party has staked out a relatively more hawkish position on foreign and security policy issues than the other three parties in the governing Alliance coalition.) SILVERMAN